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FEDERAL-STATE STANDARDS FOR POULTRY AND EGGS

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Your invitation to discuss standards is greatly appreciated because I believe that they can contribute materially to the satisfaction of producers, market handlers, and consumers of poultry products. My principal objective in the time allocated to this discussion will be to stimulate thought on means of developing a greater coordination of effort in improving practices in the marketing of poultry and egg products. But first I desire to express high praise for the efforts which have already been made to build sound marketing procedures. In this connection, I should like to pay humble tribute to my predecessor, Rob R. Slocum, who, during his 35 years of conscientious and effective efforts in the Department, helped to develop better market practices in the poultry industry. He was primarily responsible for our present Federal grade standards for egg and poultry products. Personally, I deeply regret that we no longer have his kind and wise guidance.

Statistically, the increase in volume of poultry products which have been officially graded and inspected has been very gratifying. The volume of shell eggs officially graded under the supervision of the United States Department of Agriculture increased from 446,678 cases in 1928 - the first year that official egg grading was conducted - to 5,539,745 cases in 1943. The volume of frozen eggs broken under official inspection increased from 482,939 pounds in 1936 to 21,682,14 pounds in 1943. The volume of live poultry officially graded increased from 417,00 pounds in 1938 to 1,511,331 pounds in 1943. The volume of dressed poultry officially graded increased from 24,211 pounds in 1927 to 44,845,285 pounds in 1943. The volume of turkeys officially graded increased from 22,500 pounds in 1928 to 67,106,162 pounds in 1943. The volume of eviscerated poultry prepared under Federal inspection increased from 232,254 pounds in 1928 to 168,855,547 pounds in 1943. As previously stated, the volume of poultry products officially graded and inspected has increased very rapidly on a percentage basis. The total amount of each commodity thus handled, however, represents only a relatively small percentage of the total volume of poultry and egg products marketed in this country. With a view, therefore, of developing a more comprehensive program for the maximum use of Federal-State standards as a means of improving the marketing of these products, let us consider the following questions.

1. Should poultry products be graded? or is it practical and fair to producers, handlers, and consumers to purchase and sell so-called current receipts at relatively uniform prices without grouping according to quality and size? No doubt it appears rather silly to ask marketing officials such a question. Yet we have a long way to go before all poultry products are bought and sold on a graded basis.

Although eggs have a protective covering which assists materially in maintaining food value, flavor, and wholesomeness, they are nevertheless a very perishable food commodity unless held under favorable temperature and humidity conditions. Perhaps the shell encourages carelessness in handling rather than making the maximum use of the advantage it affords.

All producers do not exercise the same care in handling eggs to assure cleanliness, unbroken shells, and prime interior quality. Current receipts vary considerably in size, cleanliness, and interior quality. Interior quality can be determined only by candling unless eggs are broken out.

Individual eggs, in ordinary current receipts, as delivered by farmers, vary more than 100 percent in size, with individual sizes and average case weights varying according to the season, age, heredity, and individual size of the birds in the flock and its management. One would scarcely expect a buyer to pay as much for 360 hogs averaging 200 pounds each as for 360 averaging 250 pounds. The same consideration should apply to eggs.

In order to market eggs to the greatest advantage to farmers, consideration must be given to consumer reaction as to size, cleanliness of shells, cracks, and interior quality. Producers do not have much incentive for producing and delivering large, clean, unbroken eggs of good interior quality unless their eggs are purchased by grade and paid for according ly.

Producers, handlers, and consumers are not as handicapped in selling and buying poultry as they are in the case of eggs. The average consumer, however, is not able to determine with much exactness the probable cooking and eating qualities of poultry unless the birds are identified by grade. This grading can be done by trained competent graders who can readily determine the age, sex; class, and quality by visual examination.

- 2. Should uniform grade standards and terminology be used throughout the United States? Eggs and poultry move back and forth in trade channels from coast to coast irrespective of State lines and even some restrictive State legislation and regulations. A common language for the marketing officials charged with responsibility for the enforcement of State laws and for the producers, buyers, distributors and consumers could increase the efficiency of moving eggs from the nest to the consumer's table. This common language in terms of uniform standards and grades can be developed only through the cooperation of the 48 States with the Federal Government to develop a workable program. The importance of uniformit of grade standards and terminology is obvious. Therefore, we should all work together to avoid the confusion that has characterized the egg industry as a result of the hundreds of terms and classifications which have had meaning in local or area markets but are not applicable nationally or outside certain markets. It is gratifying to note that State laws, standards and grades, and terminology relating to egg and poultry products have been steadily approaching uniformity. In suggesting that uniform grade standards and terminology are desirable for all concerned, it is not proposed that trade brands should be eliminated. In fact, it is suggested that trade brands should be continued to strengthen pride on the part of the packer and confidence on the part of the dealer and consumer in the grading an packing skill, integrity, and efficiency of the packer.
- 3. How and by whom should uniform standards and terminology be developed? The responsibility for final development and certification of uniform grade standards must necessarily be assigned to some central coordinating agency. By act of Congress, the Department of Agriculture is authorized and has been performing this service for several years. However, it is our conviction that the demand for and development of standards and uniform terminology should originate primarily with those who are using the standards, including preferably representatives of producers, all types of handlers, consumer organizations, and research and educations agencies. Advisory committees composed of industry representatives have been established to assist the Dairy and Poultry Branch in the development of grade

standards for both egg and poultry products. That Branch is now developing Tentative U. S. Standards for Classes and Grades for Eviscerated, Federally Inspected Chickens. As an example of the procedure which we are following, preliminary drafts of these standards have been mailed to approximately 100 persons representing eviscerators, inspection and grading officials, and poultry departments of agricultural colleges, to get their suggestions and to obtain majority opinions on controversial points. The final draft of these grade standards will incorporate the majority opinions obtained in this manner. We have already received many suggestions, all of which cannot possibly be included in the grade standards owing to the need for simplification. One of our most important objectives is to keep the specifications for grade standards as brief as is consistent with all their uses.

4. Should grading and inspection of poultry and egg products be compulsory or voluntary? The history of official Federal and Federal-State grading and inspections shown that the growth of these activities on a purely voluntary basis except for Government purchases has been steady from their inception. We believe that it is desirable to continue this program on a voluntary cooperative basis and to assist in every possible manner in a coordinating capacity. Certain types of services can be developed more economically and effectively by a central agency in cooperation with the various groups utilizing such services.

The problems of one State or area are inseparably tied in with and affected by the actions of other States or distant markets or production areas. We recognize that local conditions must be considered in a national program. However, we can mesh most of the problems of the industry in a common program through our collective efforts and this is what we propose to do with your helpful advice and cooperative action.

5. Should uniform grade labels be used? It is suggested that reasonable uniformity in grade labeling will contribute to the advantage of producers and handlers and most certainly aid consumers in determining the quality of eggs and poultry and the size of eggs. Uniform grade labeling will enable them to buy with greater satisfaction and doubtless contribute to greater consumption of egg and poultry products thus graded and labeled.

The Dairy and Poultry Branch has recently conducted a survey to obtain suggestions on this problem. It is anticipated that as a result of this survey recommendations covering the development and use of uniform grade labels will be issued in the near future.

6. Who or what agency or agencies should administer official inspection and grading programs? Under the present Federal-State inspection and grading agreements, administrative responsibility is shared in most States by a triple alliance composed of the Agricultural Extension Service, some divisions of the State Departments of Agriculture, and the Federal Department of Agriculture. Since voluntary grading programs require considerable education of all interested groups and the cooperation of local inspection or regulatory agencies and administrative coordination to assure uniform interpretation and administration, this arrangement appears to be very sound and to be working quite satisfactorily. It is possible that representation from marketing firms participating in the official grading program on such official State agency may result in a better cooperative attitude and a greater feeling of responsibility in the development and administration of such programs.

7. Should official graders be Federal or State employees or employees of the official State agency or employees of participating marketing firms or unattached individuals? The Department is compelled by the present provisions under which it operates to maintain rather strong controls over personnel who are authorized to do official grading work. However, this question is stimulating considerable thought and is quite important both to the Department and to the industry generall in case there is considerable growth in the volume of official grading and inspection work.

We realize there is very little value in having a complete set of standards for poultry products if the standards are not generally used. It is believed that problems of price support programs and purchases would have been simpler and the operation of such programs more efficient and satisfactory if uniform grade standards had been generally utilized through all marketing phases from producer to consumer during the war emergency period.

Unfortunately, under the pressure of emergency problems and the necessity of devising programs in accordance with existing conditions and prevailing practices, some ground appears to have been lost in both official and non-official grading of poultry products. We must also recognize other unfavorable factors. The critical labor situation along with the shortage of cartons has made it difficult to maintain the desired grading programs. Also, interest in and demands for grading, certification, and labeling of agricultural commodities are less during periods of strong demand as related to supply. It is necessary to recognize that it is easier to sell ungraded or poorly graded or "up-graded" products during periods such as the one we are now passing through.

Considering the progress made before the war and the efforts still being made to maintain reasonably effective grading programs, there can be little doubt that the majority of people associated with the poultry industry believe grading to be sound merchandising procedure. Egg and poultry products have some sale advantages while many competing foods are rationed. However, it is quite unlikely that competitive foods will be rationed for very long after the war so that the grading of egg and poultry products will then become more necessary to attract and maintain consumer interest and demand. Therefore, it appears probable that there will be a considerable revival of interest and progress after the war in extending official grading work based on uniform grade standards and terminology.

At the present time, the members of our Branch are giving some consideration to possible values and methods of developing an organized program. Among the objectives suggested are: (1) Better understanding of egg and poultry market practices and problems; (2) better general understanding of official grading of egg ar poultry products; and (3) better coordinated participation of industry leaders in developing improved marketing methods.

From time to time, members of the Branch confer individually and in groups with Federal, State, and trade representatives to analyze present conditions and trends, and to discuss State laws and regulations relating to standards and gradin and to outline programs for quality grading. We also endeavor to obtain suggestic to aid in developing more definite national and State educational and administrative programs. It is felt that better coordination of effort on the part of all leaders of the industry, both in developing and administering a uniform national program on grade standards and market practices, will result in more satisfactory and more rapid progress. Annual national and State conferences are suggested as one effective means of accomplishing this proposal.

- A. National conference each year, the first to be held during the first summer after termination of World dar II.
  - 1. To be called and program arranged by the Office of Distribution, War Food Administration
    - a. Program to include pertinent subjects dealing with the processing, packaging and marketing of eggs and poultry products and especially grade standards and administration of Federal-State grading programs
    - b. Speakers from U. 3. Department of Agriculture (Research and Administrative), State departments of agriculture (marketing and regulatory divisions), colleges of agriculture (research and extension), trade associations, including processors, packers, distributors and retailers, and Federal and State health departments
    - c. Special committees to be selected by vote of official delegates or appointment by OD
      - (1) Grade standards for egg and poultry products
        - (a) Subcommittees (Shall eggs and egg products (Live, dressed, and eviscerated poultry

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- (2) Grade labeling
- (3) Organization and administration of grading procedure, including financing
- (4) Education on grade standards, terminology, labels and grading and inspection procedure
  - (a) Subcommittees for producers, handlers, and consumers
- (5) Inspector and grader training and authorization

## 2. Attendance (open)

a. Two official delegates from each State having Federal-State grading agreements, one from Administrative personnel responsible for Federal-State program and one from industry members participating in Federal-State grading program. (First year selection of delegates might be based upon interest as well as participation) (1) Delegates to be selected by agency responsible for administration of Federal-State grading program and industry representatives by vote of participating members

## 3. Cooperative relationships

- a. It has been suggested that this proposed conference should be held preferably just before or just after the National Poultry Improvement Plan Conference. In many instances, the same representatives of State departments of agriculture and State colleges of agriculture would be interested in and associated with the administration of toom properties and objectives so that reasonably close coordination would be advantageous to both. Plans for production should consider market and consumer demands and processing and packaging problems and plans for processing and marketing should consider production problems and limitations.
- b. Another suggestion is, for similar reasons, that the conference should be held prior to or following the Annual Fact Finding Conference.
- B. Annual State Egg and Poultry Marketing Conferences and Grader Training Schools (It may be impractical to hold all the schools which may be required for training graders of live and dressed chickens, dressed turkeys and shell eggs and resident samplers for egg-breaking plants at one time and one place, but it is desirable insofar as possible because of the broader educational advantages which should be made available at a State conference. Turkey grading schools especially may have to be held at a later date.)
  - 1. To be arranged and conducted by the Official State Egg and Poultry Marketing Agency
  - 2. Time During the late summer and fall months and preferably in sequence by States in regions to facilitate participation by the most desirable speakers and Federal representatives and to enable persons to attend more than one State conference if desired.
  - 3. Place Preferably at the State colleges of agriculture or State departments of agriculture

## 4. Program

a. Marketing topics and demonstrations (Spoakers and demonstrations on production, grading, processing, packaging, and transportation of poultry and egg products)

- (1) Current problems of greatest interest
- (2) Progress reports on research
- (3) Materials, production, and uses of packages

First 2 or 3 (4) Demonstration of grades days

all educational(5) Production problems affecting marketing and regulatory, marketing problems affecting production trade associa-

tion and con- (6) Processing problems and progress sumer organi-

zation repre- (7) Any other subjects involved in production and maintenance sentatives, of high quality of products from producers to consumers processors,

packers, whole-(8) Consumer preferences and demands

producers, in- (9) Retailer problems and producers.

producers, in- (9) Retailer problems and progress spectors and

graders invited(10) Progress reports on grading and inspection programs, including problems

b. Grader training schools - Shall eggs, live and dressed poultry, and dressed turkeys

Second 2 or 3 days

c. Trade association meetings

d. Official State Egg and Poultry Marketing Agency business meeting

These suggestions on National and State conferences are offered with the belief that they will assist in developing more efficient marketing of poultry and egg products. Your reactions to those proposed conferences will be appreciated.

